

**TOY DISTRICT/DOWNTOWN INDUSTRIAL DISTRICT
BUSINESS IMPROVEMENT DISTRICT
BOARD OF DIRECTORS MEETING
JULY 2, 2007
MINUTES**

BOARD MEMBERS

Present: Ernest Doizaki, Matt Klein for Howard Klein, William Shinbane and Paul Vert.

Absent: Richard Gardner, Donald Kanner, Richard Meruelo, Thomas Payne, Larry Rauch, Mark Shinbane, Michael Tansey and Charlie Woo.

STAFF: Tara Devine, Raquel King, Greg Lee, Estela Lopez and Vicky McCormick.

CONSULTANTS: Qathryn Brehm and Don Steier

I. CALL TO ORDER

Vert called the meeting to order with a quorum at 9am.

II. PUBLIC COMMENT PERIOD ON NON-AGENDA ITEMS- None

III. APPROVAL OF MINUTES

Doizaki made a motion to approve the May 29, 2007 minutes, and Shinbane seconded. The Board unanimously approved.

IV. OPERATIONS REPORT

Lopez introduced CCEA's new Deputy Director of Operations, George Peterman. Peterman briefed the Board on his 31-year career with the LAPD of which he spent 25 of those years as a sergeant. More recently, Peterman was a consultant training US and Iraqi soldiers in Baghdad.

McCormick reported that in the month of May 159 personal properties left on the streets were tagged, and 31 removed. McCormick also reported that 189 abandoned shopping carts

were collected and 93 milk crates. The maintenance team removed 70 instances of graffiti. Property owners who do not allow the maintenance team to remove graffiti or those whose property is gated and locked, are issued a letter from the City Attorney's office reiterating their responsibility to maintain their property.

McCormick then informed the Board that she met with the new Neighborhood Prosecutor (NP) for Newton Division, David Edwards, regarding prostitution and narcotic activity on Agatha Street, and the NP stated that "stay away" orders for that area would be pursued.

McCormick reported that letters regarding the cancellation of pressure washing services were sent to the property owners in the Downtown Industrial District. McCormick stated that she has received numerous emails and phone calls from members of the community, mostly business owners, expressing their displeasure with the cancellation.

McCormick informed the Board that on Sunday July 1st at 5th & San Pedro Streets (parking lot), a BID public safety officer awakened a person sleeping on the property and the individual became very angry and attempted to ram the officer with a wheelbarrow several times. The wheelbarrow was filled with copper wiring and other items. Public safety officer Juan Gonzales contacted LAPD Sgt. Tanya Dumar. Dumar and several other officers on bicycles arrived at the scene, determined that the items inside the wheelbarrow had been reported stolen and arrested the suspect for robbery and battery.

V. TREASURER'S REPORT

Coelho reported that the Toy District was right on budget, and that the Downtown Industrial District was slightly under budget due to a timing difference in receiving invoices.

Coelho then stated that by year-end DID and Toy combined appears at this juncture to be over budget by \$75,000, which

would have been \$125,000 if the pressure washing services hadn't stopped. Coelho explained that the \$100,000 line of credit taken out in 2006 had to be paid back this year. Also, the lack of rain has affected the budget. Usually safety and maintenance personnel are unable to work outside in the rain, which results in a year-end surplus in those budget categories.

Coelho informed the Board that LAHSA funds reimbursed DID \$42,000 and Toy \$12,000 in 2007 for services provided in 2006. Overall, \$50,000 came back into BIDs from a net standpoint. Coelho stated that he would have a better picture of where the BIDs will stand at year end within the next couple of months.

Lopez and McCormick proposed eliminating the security graveyard shift (12am-5am) to save money. McCormick reported that there is very little activity during the graveyard shift. There were a total of ten (10) calls for service from January 2007 to May 2007; seven (7) of those calls were alarm malfunctions from LA Cold Storage. The other three (3) calls were for prostitution and narcotic activity.

McCormick reported that eliminating the graveyard shift would save the BID \$42,000 per year, for the remainder of 2007 the amount that could be saved is \$20,000. This does not include additional savings on fuel and vehicle repairs.

Doizaki asked if Universal Protection Services could handle the graveyard shift calls, and McCormick stated that she would inquire with the security contractor.

Doizaki made a motion to approve the elimination of the security graveyard shift, and William Shinbane seconded. The Board unanimously approved.

VI. EARLY RENEWAL

Lopez reiterated that the purpose for early renewal and possible expansion of boundaries is to achieve a more realistic budget, and if the Board decided to move forward with renewing early the

BID has eleven (11) months in which to complete the task. Lopez then informed the Board that the renewal consultant Steve Gibson of Urban Place Consulting would charge the BID \$71,000 to carry out the renewal. Normally renewal costs are paid from private funds and paid back after the renewal is complete. Lopez reported that the Community Redevelopment Agency (CRA) is willing to help with the maximum amount allowed by the agency, \$24,999. Lopez explained that the CRA is able to grant \$24,999 because of the BID's proposed expansion would include covering at least part of the CRA's Central Industrial project area. Lopez stated that although the CRA's budget had not yet been approved by City Council, the Industrial BID stands a very good chance of receiving CRA funding. The funds may not be available, however, until August.

Lopez then informed the Board that Tom Gilmore of Gilmore Development resigned from the Historic Downtown Board of Directors, and he urged the other members to dissolve the Historic Downtown BID and join up with the larger BIDs such as CCEA, Downtown Center BID and Fashion District. Gilmore stated that he wants some of his properties to be absorbed by CCEA.

Lopez proposed merging the Toy and Downtown Industrial BIDs, as well as possible expansion of the Toy District boundary moving it ½ block west to Main Street, and two (2) blocks south along Main Street.

Vert recommended that the BID enter into a contract with Urban Place Consulting for a maximum of \$25,000. Vert suggested before moving forward with the full renewal process, the consultant could begin working on recommendations concerning boundaries and assessment formulas. Lopez added that the consultant would provide a report presenting possible expansions and what revenue would be generated as a result. Lopez informed the Board that the consultant came up with a formula for the Fashion District BID that added an extra \$300,000 to their annual administrative budget.

Doizaki made a motion to approve contracting with Urban Place Consulting on a not-to-exceed \$25,000 for preliminary recommendations, and approval of combining the Toy and Industrial BIDs. Matt Klein seconded. The Board unanimously approved.

Don Steier, legal counsel for CCEA, stated that his legal payments could be deferred as long as they were reimbursable in the future.

Coelho informed the Board that there is a total of \$7,500 currently in the private account and \$22,500 still owed in member dues.

VII. Downtown Women's Center (DWC)

Devine reported that the public hearing for the DWC took place on June 11th. Devine explained that the DWC is a relocation project that will be adjacent to the Little Tokyo Lofts on San Pedro Street. The DWC is currently located on Los Angeles Street near Fourth Street. The project is supported by Councilwoman Jan Perry and the Mayor's office.

Devine then informed the Board that although most people support the relocation project in concept, there is a security issue. Basically there are no plans at this time for on-site security at the new location on San Pedro Street. CCEA will submit a letter to the City Zoning Administrator's office supporting the need for on-site security. The zoning administrator reviewing this relocation asked the applicant to come up with a security plan.

Lopez added that the DWC is presently located next to a surface parking lot, and will now be next door to a 40 unit residential loft complex. This may increase call volume for the BID.

VII. NEW BUSINESS- None

VIII. ADJOURNMENT- The meeting of the Board was adjourned at 10:19pm.